

**A MODERN APPROACH OF PUBLIC
ADMINISTRATION REFORM PROCESS IN
ROMANIA**

Abstract

This paper aims to analyze what are the prerequisites for the reform implementation and for developing a modern approach of mechanism of public administration reform process in Romania, emphasizing on some areas that could provide the platform for a dynamic, sustainable and continuous reform process, as a whole.

Keywords: public administration, management, reform process, modernizing, critical analysis

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**O ABORDARE MODERNĂ A
PROCESULUI REFORMEI
ADMINISTRAȚIEI PUBLICE
DIN ROMÂNIA**

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Rezumat

Lucrarea de față încercă să analizeze care sunt condițiile implementării unei reforme și să dezvolte o abordare modernă a mecanismului procesului de reformă a administrației publice din România, insistându-se asupra unor domenii care ar putea asigura platforma pentru dinamizarea, sustenabilitatea și continuitatea procesului de reformă în ansamblu.

Cuvinte cheie: administrație publică, management, procesul de reformă, modernizare, analiză critică.

1. PRECONDITION FOR REFORM IMPLEMENTATION

An important aspect of public administration reform is the reform of the management of its implementation. A major risk in public administration reform is the multitude of daily tasks, leaving insufficient time to seek for new solutions to the disfunctionalities that occur. Public administration can not be reformed in a short time. Therefore, it is necessary for providing some preconditions that will eliminate the apparition of any disfunctionality during the reform implementation process (Profiroiu Alina, 2010):

- approach the reform as a long term process, that should be implemented by many consecutive governments, in a difficult, competitive and in continuous changing environment;
- foundation of the reform on a professional analysis of the current status, on the activity and performance of public administration and based on regular assessment of the consequences of completed activities;
- use of public administration reform experiences from other countries, especially from EU member states and candidate countries, while maintaining historical and cultural elements of Romanian public administration. Michel Crozier (1988), after studying administrative reform in Japan, Sweden and the U.S., insists on the need to begin the process by focusing on issues and not on solutions (as usually technocrats are doing). "It's about reaching a real debate, a consensus on identifying problems and then to seek a real agreement on the issues and possible solutions" (Michel Crozier, 1988);
- have a global approach on the reform: there is no performed isolated or partial change, if it was not if it was not designed as an integral and organic whole of the reform strategy;
- approaching the reform as an open process: the components of reform strategy will be updated and adapted to the changing external environment, but also to the transformation of other components of reform, to use the best experience acquired during implementation;
- ensuring the continuity of government operation, so that to fulfill its duties during the reorganization, decentralization, etc..;

2. PROPOSALS FOR MODERNIZATION OF THE MANAGEMENT OF THE REFORM PROCESS IN ROMANIA

Based on the evidence so far, there were identified several key issues which are requiring special attention. These issues were selected because of the importance, not only in itself, but also because reform in these areas could provide a platform for dynamization, sustainability and continuity of the reform process, as a whole.

1. *Achieve a political consensus regarding the requirements needed for the entire reform process.* The essential precondition for the success of any reforms in public administration is the commitment of politicians for the reform process. They should possess credibility, political resources and be willing to lose political capital to support new policy. The sources for policy change can be varied within the country (from government or civil society actors) or external (from the EU, from international donor agencies). Whatever the source, it is important for policy reform to be recognized and legitimized and followed as soon possible by the implementation process.

Political commitment should not be limited to simple statements of support of the reform process or to formal requirements and EU structures. In practice, the apparatus of the Prime Minister should lead and direct the reform. The high level of commitment to the reform process must be demonstrated not only at the beginning, when usually there are developed action plans, but it takes persuasion, vision and perseverance throughout the process. Because a policy of reform requires significant changes in attitudes and actions, it is necessary that its supporters to declare it as valid and desirable.

2. *Wide dissemination of information on the reform and encourage the participation of citizens, civil society, business, civil servants to the reform implementation, through an exchange of views on democratic development process;* It is necessary to develop a database to support reform; the reform should be promoted. The supporters are those who will benefit from changing to some extent and which seek to strengthen their positions or status through change. Supporters can also be groups with an influence in the direction of change, or those who can bring some resources to support change. Consequently, in order that public administration reform to succeed it is necessary that a large number of target groups (in particular the key people in management and decision levels) to express support and commitment for change and for the recognition of the need to implement these changes.

Based on the model of integrated development organizations, there can be identified four factors blocking the implementation of the updated strategy: strategic factor (decision complexity), structural factor (specific to any system bureaucracy, limited human and financial resources, size and complexity),

cultural factor (fear of risk, tradition of "continuity", changing attitudes) and behavioral factor (lack of incentives individual misunderstanding final goals, demotivation and frustration, withdrawal behaviors) (Bartoli, 1997).

Building the base of supporters complements and amplifies the legitimization of the process. The goal is not only to gain acceptance, but also to institutionalize the change by identifying new beneficiaries who have an interest in the aimed reform. Creation of the supporter base is positive mobilizing the stakeholders in favour of the new policies (Sabatier and Jenkins-Smith, 1993). Once these supports perceive a stake in this change, they will become more mobilized to support their interests. Political managers and reformers should not be based on the idea that if the policy is correct, the stakeholder support will come automatically and immediately will see clearly their interest to support the change. Bates and Krueger (1993) state that these potential supporters or beneficiaries of economic reforms are often difficult to see their own interest and therefore are not only playing a marginal role at the beginning of reform, but also have difficulties in being mobilized. *Develop a strong support policy requires managers to promote reform in a way that it becomes understood and attractive to potential supporters* (Brinkerhoff and Crosby D.W, B.L., 2002).

They must also help these potential supporters to recognize and to articulate the interests in such a way that they support and strengthen the reform initiative. Frequently, those who benefit from the new policies do not know how to act, which does not happen, however, to those who are potential losers from reform (Bardach, 1977). Building the supporter base is to show those with an interest in changing the policy how to play this game, how to be helpful, informed and to show support. Putting together all the supporters may prove to be a difficult task. *Support for the new policy must be sufficiently important to overcome or at least to neutralize the forces that oppose its implementation* (Gillespie and others, 1996).

3. *Allocation of human, technical, material and financial resources, needed to implement the reform.* Since, in general, external resources cover only a fraction of what is necessary, to gather sufficient resources it is necessary to take part from the old policy. Given the lack of resources for the common problems of government activity, it is clear that there would be an increase in competition for the allocation of resources (Ames, 1897).

Debt loads and financial crisis adds to the difficulties in accumulating resources. *Inability of governments to redistribute resources to new priorities is often due to the abandoning of some programs or projects.* The task to mobilize resources requires both ensuring the initial allocation of resources and providing funding for the multi-annual budget reform. At the same time, it is also

necessary that the budget allocations to become reality. It is also necessary *to set strategic priorities*: for each stage is set a limited number of priority objectives, towards which will be directed the full attention, and for which will be allocated the necessary funds. These must be those changes which advance the reform as a whole and makes or influences all other changes: Nevertheless, unstable financial resources is not the only problem. Romania suffers from lack of capacity of human resources. The problem of lack of resources to implement change is difficult to overcome. In many cases, simple injection of funds is not sufficient. For example, *when deciding to transfer the skills of providing services to local authorities, each such transfer of skills require more than an intergovernmental transfer of resources*. There are questioned several issued: if local authorities have adequate accounting systems; if they know the rules of organization of tenders for the concession of the services? if thy can manage budgets and ensure the necessary quality of these services? All these require the development of new skills and abilities (Profiroiu, 2006).

4. *Designing organizational changes needed for the reform* - is an absolutely necessary step in establishing new tasks and objectives. But it raises some problems. First, the existence of deep-rooted procedures and routines, some old alliances with customers, which often presents a resistance to these changes. The personnel may not be involved in achieving these changes or can even oppose them. Second, the tasks required by the reform may be substantially different from the current ones; therefore, there may be a lack of organizational capacity to manage them. When there is a significant change, there could be affected both internal arrangements of the organization and acting media relations in the organization. From the internal point of view, new tasks require new structures and procedures. From external point of view, when the reform goes beyond a single organization, implementing organizations should pay more attention to the external environment, interaction, communication and cooperation with stakeholders (Brinkerhoff, DW and Crosby, BL 2002).

Since the actions success of an entity depends largely on the implementation of complementary actions by other organizations (agencies, ministries, departments, local authorities) there is a great need to share information and resources, and also there is need for a good coordination. New structures can also occur, in form of inter-organizational partnerships. Decades of experience in institutional capacity building have shown that providing organizations with new tools equipment is often difficult. New ideas, structures and methods can be ignored or modified to adapt to the existing systems. Ignoring change directive is a common response in bureaucracies, because officials know that if they stand in long time inertia, the minister and her/his new policy will finally leave.

Since there is very difficult to establish new habits and tasks in an existing organization, it is preferable to create new structures than to reform the old ones. But this way requires time for the new organization to operate effectively. Often, old organizations can remain in operation, so they could sabotage the activities. It is necessary to coordinate and manage the entire reform from a single point, at the highest level of government, to ensure consistency of strategy implementation and to make a separation from those activities oriented to change and activities aimed at improving existing management practices for routine activities. Management, procedures and resources for these two categories of activities are different. Change and reorganization made by agents of change will lead to tensions and conflicts in relation to other reform groups of performers, that seek to achieve stability by improving routine procedures. The change agents focus on objectives, effectiveness, promoting and shaping change - the engine of reform in public administration; the reform performers focus instead on ways of introducing changes in existing structures and procedures with a view to improve the efficiency.

5. *Introduction of a critical analysis mechanism.* Critical analysis is a learning process obtaining the results and their impact at the level of services providing, designed to promote change and improvement in administration and management; therefore, it can become the engine of change and improvement. The process of analysis should be based on an upward flow of information, from services provided, up to senior management. The results of the analysis process will be critical foundation for reform proposals. In essence, the reform does not involve a technical change but a change in government culture, which requires changes in behaviors, attitudes and relationships (Pollit, C. and Bouckaert, G., 2004). This process will take place slowly, gradually and will be costly.

Misunderstanding or denial of the importance of this change is equivalent to lack of motivation for public administration reform. New information provided by the critical analysis can highlight the failures or successes. So the challenge is to introduce critical analysis practices as key to good management and not as a tool for strengthening the audit and blaming culture administratively. The organizational culture must be developed to facilitate the contribution of a wide range of experience in collective intelligence as a way to stimulate constructive ideas and necessary bottom-up recommendations. It is necessary to design an analysis mechanism based on inter-organizational support. The need for a critical review mechanism, as key learning and improving element, for creating a network of strong communication side, as a basis for planning and implementation mechanisms, makes more important the analysis mechanisms designed on inter-organizational support.

6. *Strengthening horizontal relationship.* Another important dimension of a coherent administration relates to the *identification of horizontal relationships in the institutional perspective*,

which requires the creation of strong horizontal links between organizations, able to generate lateral flows of information. This is of particular importance in determining the policy objectives and strategies in providing public services. Full understanding of the multiple economic and social problems as a basis for formulating and evaluating public policies can not be achieved without adopting a comprehensive perspective.

7. *Analysis of the legislative framework with a view of its simplification.* An important dimension of management reform aims the high and excessive detailed level that characterizes so many decisions and regulations. The consequence is impaired flexibility and of the reform process. For example, structures, functions and existing positions in a ministry depend on the laws and government decisions. Because frequent changes at this level are difficult to accomplish, any specification with regard to structure or procedures will narrow the opportunity to make changes, resulting in rigidity. It is impossible to create a ministry in detail, a priori. This effect is the result of numerous ways, fragmented, uncoordinated design the legislation drafts. Analysis procedures of drafting the law and current regulations will require long-term improvement of legal framework.

8. *To ensure successful implementation is necessary to mobilize resources, including both planning and enforcement action.* It includes the preparation of concrete action plans, setting performance targets and standards, and then managing all of these activities. Frequently, this requires the reform package to be implemented in small steps. Many reforms begin with a pilot project which is required for learning proposes. For the step after pilot phase it is necessary that the reform managers to achieve successes, which will give them confidence. It is also important to focus on motivation of those who adopt new models and practices required by the policy change. Failure to provide appropriate benefits will block the advancement of the reform. Management reform implementation also requires a collegial management style, participative (not autocratic or hierarchical) and a greater ability to negotiate and resolve conflicts (Brinkerhoff, D.W and Crosby, B.L., 2002).

9. *Strengthening the control and audit functions.* Control and audit function focuses on the activities' implementation observing the procedures (which are not subject to critical analysis), instead of comparing results with objectives (Guillaume, H., Dureau, G. and Silvent, F, 2002). Reform at this level, and the legislative field takes the form of a long term process and must be based on critical analysis of the purpose and default methods and control and audit functions.

Key indicators on the financial control require the existence of a comprehensive and coherent legal basis to define the system, principles and methodology of financial control and relevant systems for management and control. An independent and effective internal audit and an inspection

mechanism/system should prevent irregularities and take action against financial inability to cover losses. It should also be evaluated the ability to update financial controls and systems established to ensure effective practice (Goldschmidt and others, 2005).

As regarding the external audit, the Court should have authority to audit all public funds and resources provided by law in those institutions, including the EU. The audit should cover three types of irregularities and performance standards established by the audit. Court should be operationally independent and functional. The reports of the Court of Accounts must be prepared in an accurate, timely and effective way and should be considered by the Parliament and the Government. The audit standards should be compatible with EU requirements, and the Court of Auditors should demonstrate a particular concern to the EU requirements. The capacity to update the external audit system should be obvious.

In the domain of design, planning, implementation and evaluation of public policies, the item of interest for stakeholders that are taking the financial decisions should be information-oriented, managerial. Such information should be used to estimate the resources required, evaluation of the implementation, interpreting the results and overall contribution to critical analysis.

Addressing weaknesses related to the availability and use of this information is fundamental to improving the effectiveness of public spending. From this point of view there is some duplication with the need to improve control and audit functions. It is recommended benchmarking at all levels of government, which improves the performance of public sector and public sector accountability to citizens through public consultation (Bouckaert, G. et al, 2008).

COMPLETIONS

The reform in the above presented areas could not be achieved without a proper *management and development of human resources*. The status and professionalism of the management function and of the human resource development needs considerable improvement.

General orientation should aim to improve services to the public. Human resources management reform should consider the following four aspects of change:

- *Orienting the civil servants activity toward results*, especially in the provision of public services and waiving to compliance with detailed and unnecessary procedures. This process will be managed in accordance with changes in the control and audit functions, in order to avoid confusion and contradictions. The reform on prioritizing amongst results and procedures will need to jointly address both issues. *Any procedure must be evaluated in terms of "value*

added" for the system, whether the benefits take the form of an improvement in the allocation, increased security, increased cost efficiency and generating inputs for future decisions (such as providing statistical data).

- *Development of good governance values* represents a positive aspect for both general interest, as well as for the working conditions of civil servants. Factors that increase the significance of status and have a real positive impact on the lives of others, the purpose of appreciation and respect from the public, may amount to professional satisfaction rewards, may increase the quality of work in the public sector and even compensate for low wages.

Above presented issues can be difficult to implement through imposition of training standards, but worth the effort. *Examples refer to fairness, integrity, equal treatment in public service management, participatory management, motivation, reduce arbitrary decisions and actions, simplify salary scale (in particular by giving up bonuses and other supplementary incentives), policies to encourage improvements in public office¹.*

- *Expansion of the training, personal development and carier management.* Civil servants' training is regulated by law. An important indicator of the relevance of the training process aims to investigate if participants attend preparatory courses in personal conviction, or obligation. There is a significant correlation between motivation for training and selection processes, evaluation and promotion in public office.

If these processes are perceived as fair and transparent, and promotion is based on merit, then training has an important role. If the selection and promotion are based on other criteria, then there will be no motivation to pursue education and training courses.

Modern human resource management should be based on concepts such as training needs analysis, personal development, career planning, concepts still less used in the Romanian public administration.

First step in this direction should include increasing professionalism and enhancing the status of human resources functions in the main government institutions.

¹ For example, in Australia, modernization started in 1987 by a steady reduction of ministry positions, from 28 to 16. Also, it was decided that the budget should be presented based on programs, in relation with objectives and predicted effects. Civil servants started to be evaluated based on their results, salaries could vary with 20%, based on these results.

- *Development of managerial competencies of the civil servants.* A number of issues here presented will contribute to the quality of management skills for public officials. To these should be added a better definition and assignment of management responsibilities and accountability. Emphasizing individual responsibility and therefore accountability will occur gradually through appropriate training, development and professional standards for performance evaluation.

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